

Guidelines on Reporting Jobs Created or Retained

The Federal Office of Management and Budget (OMB) released a memo on December 18, 2009 providing new guidance on how to calculate jobs created and jobs retained as result of the disbursement of ARRA funds. OMB requests that figures for jobs created and retained, no longer be broken out by either part-time or full-time employees and to be measured as a singular full-time employee equivalents (FTEs) In addition, FTEs are to be calculated on a quarterly basis (January 1 – March 31) not cumulative. As a result, we ask that all contractors going forward use the formula below to fill out the jobs created/ jobs retained section of Attachment B.

Jobs Formula:

Add up the total number of man-hours worked on an installation, regardless if the employees are full-time, part-time, or temporary. Divide that number by 520 (the number of total hours that is possible to work in one-quarter, assuming 40 hour work week). This equals the number of full-time employee equivalents (FTE) Created if all man-hours were performed by new hires. If all man-hours were performed by existing employees, then this figure would represent FTE Retained.

Sample on how to calculate:

A geothermal heat pump installation was performed by a company that had five existing full-time employees work three 8 hour days and one newly hired employee work one 8-hour day plus 6 hours on the second day.

Simply take 5 (number of full time employees) x 8 (hours worked per day) x 3 (number of days works) = 120 man hours for the existing four employees.

Take 120 man-hours/520 = **0.23 Jobs Retained**

Then add 8 (hours worked by new employee on day one) + 6 (hours worked by new employee on day two) = total of 14 man-hours.

14 man-hours/520 = **0.03 Jobs Created**

For more information please see: http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf sections 5.2 through 5.5